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these places, or for erecting new ones in their shead.

It has been resolved to build a number of new cus tom houses. If in each of these adequate prevision be made for the safe keeping of such funds as may be there collected and brought there from other places, a moderate appropriation by Congress will enable the department to make all the necessary arrangements for the proper keeping of the public money in the present depositories.

It is a proposition too plain to require proof, that in the treasury offices, at least, as good provision should be made for the safe keeping of the public money as brokers and bankers deam necessary for the funds in their possession. At present our twenty four public depositories contain about half as much specie as our twelve hundred banks; but there are in some of the depositories less adequate provisions for the safe keeping of large sums of gold and silver than the banks deem necessary for the safe keeping of relatively small sums.

"2d. Whether the books, a boounts and returns are kept in that accurate and uniform manner which the law prescribes."

In the Treasury offices the business of account keeping is much more simple than it is in large mercantile establishments. The depositories have mothing to do with profit and less, and other tactitious accounts. All their main books are in reality so many cash books, in which the daily receipts are entered on one page, and the daily payments on the page opposite. In the large depositaries, where there are several cash books are required, and these are all so arranged as to serve as checks on one another. In the smaller dep sitories, where there is but one officer, and where the transactions are small, a single cash books the officers keep letter.

Besides these cash books the officers keep letter books, registers of drafts drawn on them, receipt books, &c.; but all these are mere auxiliaries to their cash books or records of receipts and pay-

their cash books or records of receipts and payments.

Throughout the depositories one principle is adhered to in keeping the accounts, though the number of books kept necessarily varies with the extent and nature of the business done at each. In all that I visited I found the books and returns kept in such a way as to make their transactions easily understood, though in some of the smaller ones the accounts and moneys of the officer, as a treasury depositary, were not kept as destinct as they ought to have been from his accounts and moneys as a collector of constoms, or as a lead office receiver.

In the large depositories the cash is balanced daily; in the smaller, generally about once a week.

"3d. Whether the examinations which the 12th section of the law requires are regularly made, and in such manner as to fulfil the intentions of the law."

section of the law requires are regularly made, and in such manner as to fulfil the intentions of the law."

This section declares that, in addition to the examinations to be made by special examiners, as provided for in the eleventh section, "it shall be the duty of each naval officer and surveyor, as a check upon the assistant treasurers, or the collector of customs of their respective districts; of each register of a land office, as a check upon the receiver of his land office; and of the director and superintendent of each mint and branch mint, when separate offices, as a check upon the treasurers respectively of the said mints, or the persons acting as such, at the close of each quarter of the year, and as much more frequently as they shall be directed by the Secretary of the Treasury to do so, to examine the books, accounts, returns and money on hand of the assistant tressurers, collectors, teceivers of land offices, treasurers of the mint and each branch mint, and persons acting as such, and to make a full, accurate, and faithful return to the Treasury Department of their condition."

At Washington city, D. C., Pitteburg, Pennayivanis, Cuncinnati, Ohio, Nashville, Feanessee, Richmond, Virginia, and Buffalo, New York, there are no officers resident charged with this dity. The depositories in those pisces are subject to examination only by special examiners appointed by the twelfth section, and which by order from the Treasury Department are to be made once a month, a made in such a manner as to folfil the intentions of the law, excepting a few of the smaller depositories of the law, excepting a few of the smaller depositories, in which this duty has been naglected, but it which, there is reason to believe, it will be neglected go longer.

dium. They are simply contrivances to prevent the unnecessary transportation of specie from place to place.

To a considerable extent the cost of transporting the public funds from one depository to another is already avoided by means of these transfer drafts, and will be to a greater extent as soon as the system is more generally understood.

Immigrants and others are now subject to some risk and expense in carrying money intended for the purchase of Isads far into the interior. There the money is paid into the land offices, and then it has to be brought back by the government to some one of the depositories before it can be applied to the public service. This carting and recarting of money might be avoided by a provision that parties wishing to purchase lands might make payment for the asme in advance at any depository, and receive a certificate for the amount, which certificate abould be receivable in full payment at the land office therein designated, if presented within a stipulated period. There would be no more danger of such certificate becoming a circulating medium," than there is of the scrip now issued by the land office becoming such. To a certain extent this principle mould prove a convenience both to the government and to those wishing to purchase public lands.

This principle might be applied more extensively, and has been already in some cases. Merchants in inland cities—such, for example, as St. Louis and Chacinasti—may occasianally find it more convenient to make their payments of duties at the seaports through which the goods are introduced into the construction of railroads, also, though the iron imported from abroad may be consigned to the far West, may find it more convenient to pay their duties at the seaports in the Esst, whence they derive most of the capital for making their railroads. If allowed to pay their duties at the port of importation, they would be saved the expense of bringing it back again.

It is a fixed principle of policy with the United States government to grant every f

ties at the port of importation, they would be saved the expexes of carrying the money to the West, and government saved the expense of binging it back agrin.

It is a fixed principle of policy with the United States government to grant every facility that can be granted with propriety to those having payments to make into the public treasury; and though much has already been done in this way, all, perhaps, has not been done that might be done.

There is one way of making transfers of the public funds which appears to be highly objectionable. It is that of assigning transfer d afts to bankers, brokers and others, and allowing them the use of the money for such time as it may be supposed will compensate them for the expense of transporting specie from one depository to another.

An experiment of this kind was made during the Mexican war, but it was followed by such consequences as to give little encouragement to reseat it. In October, 1850, however, this mode of making transfers on time was reduced to something like a system. In the twenty-eight months that ensued, the transfers made in this way amounted in the aggregate to between fifteen and streen millions of dodiars, and the money was out of the breasury depositories for an average of about sixty days. In some cases, security in the form of deposites of stocks was taken from the broker or banker employed to make the transfer, but in other cases no security are security in the form of deposites of stocks was taken from the broker or banker employed to make the transfer, but in other cases no security are security in the form of depository at New York to New Orleans; but the time was gradually prolonged, so that from one hundred to one hundred and thirty five days were consumed in transporting the public money from the depository at New York to the depository at Washington city. In one instance a Mr. Wm. Minor, the precident of an incorporated company in Ohio, was six hunand four days in transferring \$25,000 from the depository at New Orleans. This same gentle

Under the United States Bank and State bank deposits systems, disbursing as well as collecting officers were allowed to employ in their private speculations the public funds intrusted to their cars. The consequence was, that very large sums were thereby lost to the public treasury. To prevent such losses in future was one of theobjects Congress had in view in passing the act of August 6, 1846. The pensities it imposes on cisbursing officers who lend the public money, use it for their private purposes, or deposit it in banks, are just as severe as those it imposes on collecting officers. But while the law provided suitable places of deposit for collecting officers, it made none distinctly and explicitly for disbursing officers. These, and other defects in the law, were pointed out by Mr. Walker in three of his annual reports as Secretary of the Treasury; and also by Mr. Meredith when he filled the same office. But this produced no new action on the part of Congress, and as a consequence the disbursing officers were left to do pretty much as they chose with the public money. Some of them conscientiously obeyed the law in all its parts, providing from chests and other sefeguards at their own expense. Others compiked with the provisions of the law so far only as to themselves seemed conveniant, or was deemed by them expedient. Not a few, as there is reason to believe, deposited the money, not indeed in incorporated banks, but with officers of these institutions, or with private bankers and brokers, receiving, either directly or indirectly, some compensation for its use.

If all disbursing officers should pursue this course, the whole of the public revenue would—not at one time, but in succession—pass into the possession of the banks. It would be made the basis of new expansions of paper currency, which must inevitably be followed by new contractions. It would lead to the payment of public creditors, not in gold and silver, but in bank notes.

It is obvious that, unless disbursing, as well as collecting officers can

provision which requires public officers to credit the United States with any premium received on drafts."

In none of the depositories that I visited had any drafts been sold for a premium.

In the large depositories I found the different provisions of the law, and the treasury orders is used in pursuance thereto, strictly attended to. In some of the smaller ones they have not been so carefully observed, but will, it is to be hoped, be more exactly obeyed betreafter. These treasury orders, the object of which is to promote method in business and insure an orderly keeping of the public money, are not of so much importance in the small depositories as in the large; but they all form part of one system, and we cannot have different sets of rules for their government.

Great advantages have been found to result from that treasury order which requires the specie to be kept in an orderly manner. Where it is duly observed, the amount of money in a depository, though it be eight or ten millions, can be determined, within a small sum, in a few minutes; though it be eight or ten millions, can be determined, within a small sum, in a few minutes; though it, of course, takes time to verify the account, by counting or weighing the contents of each bag, box and parcel.

So careful are the officers of the large depositories to guard against mistakes, that bags of gold having on them the treasury coal are received into

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prefits of small note circulation, the United States government, however it may regret the evil, one not prevent it, and the laboring classes in them States must continue subject to all the loases and disadvantages to which they are exposed unfer such a system.

It is marvellous that, with our ewn mines yielding so abundantly, no effort is made by the State governments to place our currency on a betime basis. To the working classes the influx of gold has proved a curse rather than a blesting, becomes it has led to a new paper money inflation, by which the prices of overything they have to buy have been raised in a higher ratio than have been the wages they receive.

reliefs in a higher ratio than have been the wages they sective.

Leaving it to the State governments creation, ment to adhere closely to the principles of security of the cells which are of State governments creation, ment to adhere closely to the principles of security of the cells that are solided by guarding against ment to adhere closely to the principles of security of the cells of the

consequences of suffering public officers intrusted with the public funds to apply them to their private uses.

4. It will give the government at all times the control of its own funds, so that it can apply them to the public service just when and where it chooses—a control it could not have if it should deposit the public money in the banks, and the banks should lend it to their customers.

5. It will prevent those derangements of banking, exchange and commercial operations, which are always caused by governments effecting large loans in bank credits, and by paying off the public dolt through the medium of bank agency.

6. Though it cannot prevent frequent explesions of banks resting on insufficient capital, and conducted on wrong principles, it will, it is believed, unless under very extraordinary circumstances, prevent a general suspension of specie payments.

7. If a general suspension of specie payments.

8. If a general suspension should unfortunately occur, it will afford a standard by which the depreciation of the currency can be exactly sacerdained, and greatly facilitate a return to a better state of things.

11. The less government has to do with banks, and the less bunks have to do with government, the better for both, if it be not adage, it ought to be one. "Every inquiry I have made," said fir. William Jones, the first Prevident of the United States Bank, "has entirely convinced me that every formidable difficulty with which the bank (that is, the United States Back) has had to contend, has been produced by its agency for the government, and particularly the too rapid reduction of more than eighteen millions of the public debt between the months of June, 1817, and Novamber, 1818. It was the connection of bank and State that canced the Bank of England to suspend spocie payments in 1797, and to continue in a state of auspectation for more than the suspend spocie payments in 1797, and to continue in a state of auspection of bank and State that canced our own banks to muspend spocie payments in 1814,